



December 16, 2014

Vendor:

The City of Traverse City will receive sealed proposals in the Office of the City Manager, Second floor, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan, 49684, until **Wednesday, January 7, 2015 at 10:00 AM** for the following:

**INSURANCE AGENT FOR THE CITY OF TRAVERSE CITY**

(specifications attached)

If the specifications are obtained from the City's new updated website link at: [http://www.traversecitymi.gov/bids\\_and\\_rfps.asp](http://www.traversecitymi.gov/bids_and_rfps.asp), it is the sole responsibility of the Vendor to check the website for updates and addenda prior to the proposal being submitted. Vendor may also sign up to receive notifications when bids and RFPs are posted by sending an e-mail requesting same to [jdalton@traversecitymi.gov](mailto:jdalton@traversecitymi.gov)

The City of Traverse City reserves the right to accept or reject any or all proposals, waive irregularities, and to accept the proposals either on an entire or individual basis that is in the best interest of the City.

The City accepts no responsibility for any expense incurred by the Vendor in the preparation and presentation of a proposal. Such expenses shall be borne exclusively by the Vendor.

Only the successful Vendor will be notified. If you so desire, you may call for results.

You must indicate on the outside of the sealed envelope that the proposal is for the **"Insurance Agent for City of Traverse City."**

You must submit **FOUR (4) SEALED COPIES** of the proposal to the City Manager's Office prior to the above-indicated time and date or the proposal will not be accepted. Telefaxed or E-Mail proposals will not be accepted.

Please note that if you have previously submitted an informal quote, you will still need to submit a sealed proposal prior to the date and time specified above in order to be considered. Please ensure that all requirements listed in the specifications are met.

If you have any questions, please contact Jamie Caroffino, Human Resources Generalist, at (231) 922-4481 before the proposal is submitted.

PLEASE SUBMIT PROPOSAL TO: Julie Dalton, Purchasing Agent  
City Manager's Office, Governmental Center  
Second Floor, 400 Boardman Avenue  
Traverse City, MI 49684

## **BACKGROUND**

The City of Traverse City currently has 198 employees, seven (7) Collective Bargaining Unit Agreements, all of which expire on June 30, 2016, and two (2) non-union personnel groups. Full-time employees are eligible for the following insurance benefits:

Current Insurance Plans include:

- Priority Health HMO High Deductible Health Plan w/ Health Savings Account
- Priority Health HMO Co-Pay Alignment
- Priority Health HMO Plan #1
- Delta Dental PPO Plan (4 plan types)
- VSP Vision Insurance
- Standard Insurance – Group Life Insurance, Voluntary Life Insurance, Short Term Disability and Long Term Disability
- Mass Mutual and ICMA-RC – Defined Contribution 457 Plans
- Municipal Employees' Retirement System (MERS) – Defined Benefit Plan and Health Care Savings Plan
- Michigan Municipal League (MML) – Worker's Compensation

In addition, certain retirees are eligible to receive hospitalization insurance as a post-employment benefit.

Currently, all insurance is administered internally through the City's Human Resources Department, with the HR Generalist acting as the City's agent.

## SPECIFICATIONS

### A. ORGANIZATION AND HISTORY

1. Please provide the name(s), title(s), address(es), e-mail address, telephone and fax number(s) of the individual(s) responsible for responding to this request.

Websites:

2. Provide a brief overview of your company and history of your organization including an organizational chart of your operations. (maximum 3 paragraphs) Please describe any parent/subsidiary/affiliate relationships.

3. Are you currently participating in any alliances or joint marketing efforts? If so, please describe in detail.

4. How many clients do you currently administer in the following categories?

Number of Employees	# Clients	Percentage of Total
Under 100		
100 – 500		
500 – 750		
Over 750		
Total		

B. CLIENT SERVICE/QUALITY ASSURANCE

1. Please describe the team that would deal directly with us during the transition and on an ongoing basis. Indicate staff size, experience and turnover rates. Indicate all state licenses and credentials of key personnel.

2. What are your client retention statistics for each of the last three years?

For those who left, what percentage left due to issues pertaining to services provided by your organization?

For those who left, what percentage left due to software limitations?

What is the average client relationship duration? Newest? Longest?

3. Describe your organization's commitment to quality and your philosophy/approach to client services.
4. Describe your customer service standards.
5. What are three reasons why your customers select your company over your competition?

C. BENEFIT ADMINISTRATION

1. What processes/procedures do you have in place to interact with and approach a variety of vendors?
2. What is the process you would use when constructing the benefits recommendations to be made each year? How do you determine and communicate the timeline to the client?
3. List the top 5 vendors you use that have the largest share of your book of business (i.e., Nationwide, BCBS, etc.).
4. Describe the services you provide related to compliance advice.
5. Do you offer any online enrollment services? If so, what is the cost to the employer for that service?

6. Do you provide any Human Resource support of any kind? If so, what services do you offer?
7. Describe your services for Form 5500 filings.
8. Describe your process for updating and disseminating SPD and Plan Documents as well as any other required notices.
9. What is your process for assisting employees with claim resolution issues?
10. Describe the level of service you provide to support our HR staff with bill reconciliations and verification of changes.

D. EMPLOYEE COMMUNICATION

1. Describe your approach to communicating benefits to new employees throughout the year, including methods, frequency, etc.

2. What is your approach to communicating benefits to employees during Open Enrollment?

3. Please share your typical process for client communication of benefit changes.



E. GENERAL

1. What other lines of coverage do you broker or administer (i.e., worker's compensation, professional liability, 401(k), etc.)?
  
  
  
  
  
  
  
  
  
  
2. Please provide the web address (and demo login information if necessary) to your client communication portal- if offered.
  
  
  
  
  
  
  
  
  
  
3. The top two brokers selected in this RFP process will be asked to provide samples of employee communication materials.

F. IMPLEMENTATION

1. Explain your implementation process including time frame. What is the minimum time frame needed to ensure a smooth transition?
2. What involvement will be required from us during the implementation process? Be very specific.
3. Please provide a sample implementation project plan and timeline.

G. REFERENCES

1. Please provide 3 references of current clients who have similar demographics. At least 1 of the 3 should have converted within the last year. At least 2 of the 3 should be municipal or governmental clients. Please provide client name, contact name, address, phone number, services provided, and year they became a client.

2. Please provide 3 references of former clients who had similar plan demographics. At least 1 of the 3 should have left within the last year. At least 1 of the 3 should be municipal or governmental clients. Please provide former client name, contact name, address, phone number, services provided, and year they became and the year they ceased to be a client and the reason(s).

## H. EXPENSES

Describe your remuneration. Is it a commission paid by insurance companies, or flat fee structure? If flat fee, describe the basis of the payment (i.e., per employee, per month, etc.)

1. What are the start-up/conversion costs and the termination costs?
  
  
  
  
  
  
  
  
  
  
2. Describe what consulting services are included, and related hourly charges and out-of-pocket expenses for additional services (for example, Form 5500 preparation, Plan Document, COBRA administration- if offered, bill reconciliation, etc.).
  
  
  
  
  
  
  
  
  
  
3. In addition to the expense schedule, please identify any other fee-for-service or activity not covered on the "Service Activity" listing, i.e., postage, handling, supplies, servicing commissions, etc. Please be specific.
  
  
  
  
  
  
  
  
  
  
4. What is your expected margin on a client our size?

**Vendor - Please complete and return**

**PROPOSAL SUMMARY**

**TITLE: INSURANCE AGENT FOR THE CITY OF TRAVERSE CITY**

**DUE DATE: WEDNESDAY, JANUARY 7, 2015 AT 10:00 AM**

Having carefully examined the attached specifications and any other applicable information, the undersigned proposes to furnish all items necessary for and reasonably incidental to the proper completion of this proposal. Vendor submits this proposal and agrees to meet or exceed all requirements and specifications unless otherwise indicated in writing and attached hereto.

Vendor certifies that as of the date of this proposal the Company or he/she is not in arrears to the City of Traverse City for debt or contract and is in no way a defaulter as provided in Section 152, Chapter XVI of the Charter of the City of Traverse City.

Vendor understands and agrees, if selected as the successful Vendor, to accept a Purchase Order/Service Order/ Contract and to provide proof of the required insurance.

The Vendor shall comply with all applicable federal, state, local and building codes, laws, rules and regulations and obtain any required permits for this work.

The Vendor certifies that it is in compliance with the City's Nondiscrimination Policy as set forth in Administrative Order No. 47 and Chapter 605 of the City's Codified Ordinances.

The Vendor certifies that none of the following circumstances have occurred with respect to the Vendor, an officer of the Vendor, or an owner of a 25% or more share in the Vendor's business, within 3 years prior to the proposal:

- (a) conviction of a criminal offense incident to the application for or performance of a contract;
- (b) conviction of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense which currently, seriously and directly reflects on the Vendor's business integrity;
- (c) conviction under state or federal antitrust statutes;
- (d) attempting to influence a public employee to breach ethical conduct standards; or
- (e) conviction of a criminal offense or other violation of other state, local, or federal law, as determined by a court of competent jurisdiction or an administrative proceeding, which in the opinion of the City indicates that the vendor is unable to perform responsibility or which reflects a lack of integrity that could negatively impact or reflect upon the City of Traverse City, including but not limited to, any of the following offenses or violations of:

- i. The Natural Resources and Environmental Protection Act.
- ii. A persistent and knowing violation of the Michigan Consumer Protection Act.
- iii. Willful or persistent violations of the Michigan Occupational Health and Safety Act.
- iv. A violation of federal, local, or state civil rights, equal rights, or non-discrimination laws, rules, or regulations.
- v. Repeated or flagrant violations of laws related to the payment of wages and fringe benefits.

(f) the loss of a license or the right to do business or practice a profession, the loss or suspension of which indicates dishonesty, a lack of integrity, or a failure or refusal to perform in accordance with the ethical standards of the business or profession in question.

Vendor understands that the City reserves the right to accept any or all proposals in whole or part and to waive irregularities in any proposal in the best interest of the City. The proposal will be evaluated and awarded on the basis of the best value to the City. The criteria used by the City may include, but will not be limited to: ability, qualifications, timeframe, experience, price, type and amount of equipment, accessories, options, insurance, permits, licenses, other pertinent factors and overall capability to meet the needs of the City. The City is sales tax exempt – Government.

Vendor agrees that the proposal may not be withdrawn for a period of sixty (60) days from the actual date of the opening of the proposal.

Submitted by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Name and Title (Print)

\_\_\_\_\_  
Company Address

\_\_\_\_\_  
Phone                      Fax

\_\_\_\_\_  
City,                      State,                      Zip

\_\_\_\_\_  
Sole proprietorship/partnership/corporation

\_\_\_\_\_  
If corporation, state of corporation

REFERENCES: (include name of organization, address, contact person, daytime phone number, and length of time services have been performed).

1. \_\_\_\_\_  
\_\_\_\_\_

2. \_\_\_\_\_  
\_\_\_\_\_

3. \_\_\_\_\_  
\_\_\_\_\_

SUBCONTRACTORS: (include name of organization, address, contact person, daytime phone number, and services to be performed).

1. \_\_\_\_\_  
\_\_\_\_\_

2. \_\_\_\_\_  
\_\_\_\_\_

3. \_\_\_\_\_  
\_\_\_\_\_